

THEREFORE, WHAT IS CLAIMED IS:

1. A curable powder coating composition comprising:
 - (a) a compound that comprises the reaction product of an epoxy resin having at least one hydroxyl group and a lactone.
 - (b) a film-forming resin; and
 - (c) a crosslinker.
2. The composition of Claim 1, wherein the epoxy resin has a number average molecular weight of 1,000 to 20,000.
3. The composition of Claim 2, wherein the epoxy resin has a number average molecular weight of 3,000 to 9,000.
4. The composition of Claim 1, wherein the epoxy resin has an epoxide equivalent weight of 500 to 20,000.
5. The composition of Claim 4, wherein the epoxy resin has an epoxide equivalent weight of 1,000 to 10,000.
6. The composition of Claim 5, wherein the epoxy resin has an epoxide equivalent weight of 2,000 to 4,500.
7. The composition of Claim 1, wherein 1 to 100 percent of the hydroxyl groups have a lactone grafted thereto.
8. The composition of Claim 7, wherein greater than 90 percent of the hydroxyl groups have a lactone grafted thereto.
9. The composition of Claim 1, wherein the reaction product of the epoxy resin and the lactone has a weight average molecular weight of 5,000 to 500,000.

10. The composition of Claim 9, wherein the reaction product of the epoxy resin and the lactone has a weight average molecular weight of 25,000 to 250,000.

11. The compound of Claim 1, wherein the lactone comprises epsilon-caprolactone.

12. The composition of Claim 1, wherein the reaction product of the epoxy resin and the lactone comprises lactone chains comprising 1 to 50 lactone derived units.

13. The composition of Claim 1, wherein the film forming resin is hydroxy functional.

14. The composition of Claim 13, wherein the film-forming resin comprises polyester.

15. The composition of Claim 1, wherein the film-forming resin does not comprise epoxy.

16. The composition of Claim 1, wherein the film forming resin is present in an amount of 50 weight percent or greater, based on total weight of the composition.

17. The composition of Claim 1, wherein the reaction product of epoxy resin and lactone is present an amount of 1 to 20 weight percent.

18. The composition of Claim 17, wherein the reaction product of epoxy resin and lactone is present in an amount of 2 to 8 weight percent.

19. The composition of Claim 1, wherein the lactone does not have an amine grafted thereto.

20. The composition of Claim 1, wherein the lactone does not have an acid grafted thereto.